

WEST VALLEY CITY, UTAH

RESOLUTION NO. 08-261

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$_____ WEST VALLEY CITY, UTAH, SALES TAX REVENUE BONDS FOR THE PURPOSE OF FINANCING THE ACQUISITION AND CONSTRUCTION OF AN ANIMAL SHELTER, A PUBLIC SAFETY STORAGE FACILITY, AND RELATED FACILITIES, SATISFYING A DEBT SERVICE RESERVE REQUIREMENT, AND PAYING COSTS OF ISSUANCE OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A FOURTH SUPPLEMENTAL INDENTURE OF TRUST AND A BOND PURCHASE AGREEMENT; AND RELATED MATTERS.

WHEREAS, the City Council of West Valley City, Utah (the “City”) considers it necessary and desirable and for the benefit of the City to issue its Sales Tax Revenue Bonds, Series 2008A (the “Bonds”), in the aggregate principal amount of \$_____, for the purpose of (a) financing the costs of acquisition and construction of an animal shelter, a public safety storage facility, a community preservation development facility to be used for office space and other public uses, and related facilities (the “Project”), (b) satisfying the portion of the Debt Service Reserve Requirement (as defined in the hereinafter defined General Indenture) that is attributable to the issuance of the Bonds, and (c) paying costs of issuance of the Bonds; and

WHEREAS, pursuant to the applicable provisions of Chapter 14 of Title 11, Utah Code Annotated 1953, as amended (the “Act”), the City has the authority to issue its sales tax revenue bonds for the foregoing purposes; and

WHEREAS, for the purposes set forth above, the City has determined to issue the Bonds pursuant to a General Indenture of Trust, dated as of July 1, 2001, as previously supplemented and amended (the “General Indenture”), and as further supplemented by a Fourth Supplemental Indenture of Trust, dated as of October 1, 2008 (the “Fourth Supplemental Indenture” and, collectively with the General Indenture, the “Indenture”), each between the City and Zions First National Bank, as trustee; and

WHEREAS, the City desires to sell the Bonds to Wells Fargo Brokerage Services, LLC (the “*Underwriter*”) upon the terms set forth in the Bond Purchase Agreement between the City and the Underwriter (the “*Bond Purchase Agreement*”);

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WEST VALLEY CITY, UTAH, AS FOLLOWS:

Section 1. Issuance of Bonds. (a) For the purposes set forth above, there is hereby authorized and directed the issuance, sale and delivery of the Bonds in an aggregate principal amount of \$_____. The Bonds shall be dated their date of original issuance and delivery and shall bear interest and mature as follows:

[maturity schedule]

The Bonds shall be issued in fully-registered form, in authorized denominations, and shall be executed and payable all as provided in the Indenture. The Bonds shall be subject to optional redemption prior to maturity as provided in the Indenture.

(b) The form of the Bonds set forth in the Fourth Supplemental Indenture, subject to appropriate insertions and revisions in order to comply with the provisions of the Indenture, is hereby approved.

(c) The Bonds shall be special obligations of the City, payable from and secured by a pledge and assignment of the Revenues (as defined in the Indenture) received by the City and of certain other moneys held under the Indenture. The Bonds shall not be obligations of the State of Utah or any other political subdivision thereof, other than the City, and neither the faith and credit nor the taxing or appropriation power of the State of Utah or any political subdivision thereof, including the City, is pledged to the payment of the Bonds. The Bonds shall not constitute general obligations of the City or any other entity or body, municipal, state or otherwise.

Section 2. Approval of the Fourth Supplemental Indenture. (a) The Fourth Supplemental Indenture, in substantially the form attached hereto as *Annex A*, is hereby authorized and approved,

and the Mayor is hereby authorized, empowered and directed to execute and deliver the Fourth Supplemental Indenture on behalf of the City, and the City Recorder is hereby authorized, empowered and directed to countersign the Fourth Supplemental Indenture and to affix the corporate seal of the City to the Fourth Supplemental Indenture and to attest such seal, with such changes to the Fourth Supplemental Indenture from the form attached hereto as are approved by the Mayor, his execution thereof to constitute conclusive evidence of such approval. The provisions of the Fourth Supplemental Indenture, as executed and delivered, are hereby incorporated in and made a part of this resolution. The Indenture shall constitute a “system of registration” for all purposes of the Registered Public Obligations Act of Utah.

(b) The City hereby finds and determines that (i) there is currently on deposit in the Debt Service Reserve Fund (as defined in the General Indenture) (A) a surety bond, dated July 30, 2001, issued by MBIA Insurance Corporation in the amount of \$1,831,000 (the “*Series 2001A Surety Bond*”); (B) a surety bond, dated June 25, 2002, issued by Ambac Assurance Corporation in the amount of \$1,763,487 (the “*Series 2002A Surety Bond*”); and (C) a surety bond, dated November 21, 2006, issued by MBIA Insurance Corporation in the amount of \$1,390,500 (the “*Series 2006 Surety Bond*” and, collectively with the Series 2001A Surety Bond and the Series 2002A Surety Bond, the “*Surety Bonds*”); (ii) the Surety Bond constitutes a Reserve Instrument within the meaning of the General Indenture; (ii) the Surety Bond constitute Reserve Instruments within the meaning of the General Indenture; and (iii) upon the issuance of the Bonds, the Debt Service Reserve Requirement will equal \$_____.

(c) The Debt Service Reserve Requirement will be satisfied by (i) the Surety Bonds, and (ii) the deposit of Bond proceeds into the Debt Service Reserve Fund in the amount of \$_____, as provided in Section 3.1 of the Fourth Supplemental Indenture.

Section 3. Sale of the Bonds; Bond Purchase Agreement. The Bonds authorized to be issued herein are hereby authorized to be sold and delivered to the Underwriter upon the terms and conditions set forth in the Bond Purchase Agreement. The Mayor is hereby authorized, empowered and directed to execute and deliver the Bond Purchase Agreement on behalf of the City, in substantially the form attached hereto as *Exhibit B*, with such changes therein from the form hereto as are approved by the Mayor, his execution thereof to constitute conclusive evidence of such approval. The City Recorder is hereby authorized, empowered and directed to affix the seal of the City, to attest such seal, and to countersign the Bond Purchase Agreement.

Section 4. Approval of Official Statement. The final Official Statement of the City for the sale of the Bonds, in substantially the form attached hereto as *Exhibit C*, with such changes, omissions, insertions and revisions as the Mayor shall approve, is hereby authorized, and the Mayor shall sign and deliver such final Official Statement to the Underwriter for distribution to the purchasers of the Bonds and other interested persons, his execution thereof to constitute conclusive evidence of such approval. The use of the Preliminary Official Statement by the Underwriter in connection with the offering of the Bonds is hereby acknowledged, approved and ratified.

Section 5. Other Certificates and Documents Required to Evidence Compliance with Federal Tax Laws. Each of the Mayor and the City Recorder is hereby authorized and directed to execute such other certificates and documents as are required to evidence compliance with the federal laws relating to the tax-exempt status of interest on the Bonds.

Section 6. Other Actions With Respect to the Bonds. The officers and employees of the City shall take all action necessary or reasonably required to carry out, give effect to, and consummate the transactions contemplated hereby and shall take all action necessary in conformity with the Act to carry out the issuance of the Bonds and the acquisition and construction of the Project, including, without limitation, the execution and delivery of any documents or instruments to be delivered in connection with the sale and delivery of the Bonds and the completion of the Project. If (a) the Mayor

or (b) the City Recorder shall be unavailable (due to absence, incapacity or otherwise) to execute or attest and countersign, respectively, the Fourth Supplemental Indenture, the Bond Purchase Agreement, the Bonds or the other documents that they are hereby authorized to execute, attest and countersign, the same may be executed, or attested and countersigned, respectively, (i) by the Deputy Mayor or (ii) by any Assistant or Deputy City Recorder. Without limiting the generality of the foregoing, the officers and employees of the City are authorized and directed to take such action as shall be necessary and appropriate to issue the Bonds and consummate the transactions contemplated hereby.

Section 7. Prior Acts Ratified, Approved and Confirmed. All acts of the officers and employees of the City in connection with the issuance of the Bonds are hereby ratified, approved and confirmed.

Section 8. Severability. If any section, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this resolution.

Section 9. Effective Date; Resolution Irrepealable. This resolution shall take effect immediately upon its approval and adoption. Following the execution and delivery of the Fourth Supplemental Indenture, this resolution shall be and remain irrepealable until the Bonds and the interest thereon shall have been fully paid, cancelled, and discharged.

PASSED, APPROVED AND ADOPTED by the City Council this 14th day of October, 2008.

WEST VALLEY CITY, UTAH

Mayor

ATTEST:

City Recorder

[SEAL]

EXHIBIT A
[FOURTH SUPPLEMENTAL INDENTURE]

EXHIBIT B
[BOND PURCHASE AGREEMENT]

EXHIBIT C
[OFFICIAL STATEMENT]